



STATE OF ARIZONA

JANICE K. BREWER
GOVERNOR

April 28, 2011

EXECUTIVE OFFICE

The Honorable Ken Bennett
Secretary of State
1700 West Washington, 7th Floor
Phoenix, Arizona 85007

RE: House Bill 2707 (general fund revenue limit)

Dear Secretary Bennett:

Today I vetoed House Bill 2707 relating to spending limits.

Over the last three years, the Legislature and I have made a series of painful decisions to balance the state budget. Arizona could have largely avoided these steps if an effective spending limit had been in place over the last decade. Understanding this, my budget proposal called for, and I have worked with the Legislature to develop, a spending limit that would protect the State from the effects of future one-time or bubble revenues.

An effective spending limit would eliminate the State's ability to spend one-time or bubble revenues while allowing future Legislatures and Governors to manage normal revenue growth. Spending limits that are too generous, like our current Constitutional limit, ultimately become irrelevant and do not protect the State. Likewise, unreasonable spending limits will be suspended or repealed and become equally irrelevant. Unfortunately, House Bill 2707 uses a mechanism that is too restrictive. We should learn from the State of Colorado that experimented with a similar mechanism, an experiment that failed.

I continue to believe in and support an effective spending limit. I look forward to working with the sponsor and other members to put such a mechanism in place.

Sincerely,

A handwritten signature in black ink, reading "Janice K. Brewer". The signature is fluid and cursive, with the first name "Janice" being the most prominent part.

Janice K. Brewer
Governor

cc: The Honorable Russell Pearce
The Honorable Andy Tobin
The Honorable Debbie Lesko
Senate Secretary
Chief Clerk of the House of Representatives
Arizona News Service